TESTIMONY OF COMMISSIONER JOHN ROBERSON
CITY OF CHICAGO, DEPARTMENT OF AVIATION
September 9, 2004
House Aviation Subcommittee Hearing on
Delay Reduction Efforts at Chicago's O'Hare Airport

Mr. Chairman, Ranking Member DeFazio, Congressman Lipinski and Members of the Subcommittee, thank you for the opportunity to appear before this Subcommittee and testify on delay reduction efforts at O'Hare International Airport.

Before I begin, I would like to express on behalf of Mayor Daley and the people of the City of Chicago our tremendous respect and appreciation for all the great work of this Subcommittee in addressing critical infrastructure needs. The leaders and Members of this Subcommittee have consistently been strong bipartisan supporters of airports and our national aviation system. This support is evidenced by the Committee's continued interest in improving both access to and the efficiency of O'Hare.

I would also like to recognize the efforts of U.S. Department of Transportation (DOT) Secretary Norman Mineta and Federal Aviation Administration (FAA) Administrator Marion Blakey in addressing the O'Hare delay problem. Their leadership and cooperation has provided the framework to solve this problem of national significance.

As the Commissioner of the City of Chicago's Department of Aviation, I have responsibility for the management of O'Hare and Midway International Airports. O'Hare remains the world's busiest airport, and Midway, the airport in Mr. Lipinski's congressional district, is itself the 33rd busiest airport in the country.

O'Hare truly serves the nation. According to FAA record, the airport handled 931,422 flights in 2003, more than at any other time in its history, and is well on pace to accommodate even more in 2004. Last year, more than 69.5 million passengers passed through O'Hare, the majority of them connecting between flights.

O'Hare currently averages over 2,700 commercial flights each day to 180 non-stop markets, provided by 51 different passenger airlines, as well as cargo flights by 23 individual cargo carriers. We offer non-stop flights to 48 of the 50 states—serving more destinations, more often, than any other airport in the nation.

We strive to provide all of our passengers with a smooth and efficient travel experience, but that is not possible when they experience overwhelming frustration with delays. For the first seven months of 2004, 65% of flights at O'Hare were delayed. I am sorry to say that O'Hare had the worst on-time performance among our nation's major airports. As Members of Congress who connect through O'Hare on flights to and from your districts, you no doubt have experienced your share of aggravation. Furthermore, delays cost money—$370 million each year for the airlines at O'Hare alone and an additional $380 million for travelers across the nation.

Delays are not a new problem at O'Hare. Prior to the tragic events of September 11, 2001, delays at O'Hare were having a negative impact on the entire national aviation system. Once travelers began returning to the skies, the level of delay has steadily increased along with the passenger count. Over the last ten months, Secretary Mineta and Administrator Blakey have singled out O'Hare as a bottleneck for the national aviation system and, as we are all aware, have had to obtain voluntary flight reductions from O'Hare airlines to mitigate this problem.

From our perspective, these temporary and voluntary flight restrictions are necessary to allow O'Hare to move air traffic smoothly and efficiently through the national aviation system. This is, however, only one of three approaches. There are also intermediate procedural and technology enhancements that can be implemented, and of course the long-term solution is the O'Hare Modernization Program. Modernizing O'Hare's airfield will dramatically reduce delays and add capacity, making O'Hare a more reliable airport to the benefit of air travelers throughout the national aviation system.

Regarding the current flight restrictions, we should not lose sight of the fact that, while the immediate delay issue is addressed, competition suffers. And competition at airports leads to lower fares, more destinations and passenger convenience. There is a direct and immediate financial impact as well. We have calculated that the current 5% reduction in flights could have a $1.8 billion adverse economic impact on the region in 2005.

I would like to thank the FAA for allowing us to participate in the recent delay meetings that led to the interim agreement. We appreciate the commitment by Secretary Mineta and Administrator Blakey in trying to temporarily reduce delays and improve on-time performance at O'Hare. We would also like to recognize the contributions of the airlines, particularly United and American, who voluntarily agreed to reduce their schedules as a temporary solution to the O'Hare delay problem. And we must underscore the importance of our continuing role in working alongside the agency and the airlines as we address the delay issue with appropriate intermediate actions.

Interim solutions, however well intended when imposed, can and do become institutionalized and difficult to remove once they are established. In 1999 Congress in its wisdom began phasing out the High Density Rule, recognizing the unintended consequences of artificial restrictions on market demand. The High Density Rule, originally intended to be a temporary measure, capped flights at O'Hare for more than thirty years. As we learned over that time, when people and goods are not allowed free access to their airport of choice, competition declines and service is diminished. Small and mid-sized communities are generally the first to feel the loss.

Constraining access to the market is only one tool that can be used to tackle the delay problem at O'Hare in the short term, and it is the least precise. The second approach looks to enhancing procedures and technology as the intermediate solution, and we hope such initiatives continue to be explored. We have in fact proposed several such initiatives that are designed to both reduce delay and increase capacity.

Some of these measures were detailed by the 2001 O'Hare Delay Task Force. This collaborative effort involving the City, the FAA, the airlines and other stakeholders was convened to identify physical, technical and operational initiatives to reduce delay. For example, the Task Force identified the upgrade of Runways 27R & 27L to CAT II/III approach capability as a way to reduce delays at O'Hare. The FAA and the Department of Aviation are currently working to have the necessary upgrades installed and operational in 2005. Once the CAT II/III approaches are available, the Task Force projects an annual delay savings of over 3,500 hours and a reduction in annual flight cancellations of over 7,700, saving the airlines over $38 million dollars.

The modeling that the FAA used to justify the 88-scheduled arrival rate was based on observations of O'Hare traffic from November of 2003 to May of 2004. Not only was this a small sampling window, the timeframe did not take into account traffic during the busy summer travel season. Subsequent to that modeling period O'Hare has had very dramatic changes in the operational procedures for the airport—New Plan B and New IFR-1. These new procedures allow greater air traffic capacity and delay reductions.

The New Plan B (Arrival Runways 14R, 22R, & 22L) allows for reduced separation between 14R arrivals and 27L departures, supporting an increased arrival rate and a significantly increased departure rate when compared to what existed during the timeframe the FAA modeled. The arrival rate for Old Plan B was 94 arrivals per hour. The New Plan B's rate is 96 arrivals per hour.

The real benefit of New Plan B is in the delay reduction for departures. The O'Hare Delay Task Force estimated that reduced separation between 14R arrivals and 27L departures would significantly reduce departure delays. The Task Force quantified the benefit as an annual delay reduction of more than 24,000 hours, an improvement that would that would save the airlines over $17 million per year.

The New IFR-1 plan (Arriving Runways 14R & 14L without aircraft separation conflict with the Midway 13C approach) will have a significant impact on bad weather delay. During the FAA modeling timeframe the IFR-1 plan had an arrival rate of 58-60. Under the New IFR-1 plan the arrival rate would be between 72 and 78. This more than 20% gain in Instrument Flight Rules (IFR) capacity should go a long way in reducing the bad weather delays and cancellations that O'Hare has historically experienced.

There are two other procedural changes that are currently under review by the FAA. The first is a request to reexamine the MD-80's ability to participate in Land and Hold Short Operations (LAHSO) at O'Hare based on a higher flap setting than what was modeled to establish the MD-80's current LAHSO category. This is critical because a large part of the aircraft fleets of American, Continental, Delta, and Spirit airlines that serve O'Hare are MD-80s. The MD-80 represents over 26% of the non-commuter jet traffic at O'Hare. If the new modeling shows that MD-80's can participate in a new LASHO category the Visual Flight Rules (VFR) arrival rates should all go up to 100 per hour in all three of the primary VFR configurations.

In addition there is a new configuration, identified in the O'Hare Delay Task Force as Hybrid Plan B (Arriving Runways 14R, 22R LASHO 27R, and 27R) that will add a new VFR configuration. The O'Hare Delay Task Force identified the benefits of Hybrid Plan B as an annual delay reduction of 23,000 hours and an annual cost benefit of over $16 million dollars to the airlines.

Hybrid Plan B would make possible four VFR configurations at O'Hare with arrival rates in the high 90's to 100. Hybrid Plan B is awaiting the results of the MD-80 reevaluation.

We expect that the FAA will expeditiously review and confirm our findings. Assuming that occurs, it is imperative that there is support for funding those capacity enhancements. Capacity management strategies such as the recently-implemented voluntary reductions at O'Hare must be self-adjusting to allow the benefits of incremental capacity gains to be achieved. In this way, they can result in a program that is flexible, balanced, equitable and fair—one that promotes access and competition.

Thus, while the City recognizes that near-term and intermediate steps are necessary to mitigate delays at O'Hare, it is more encouraged by the recognition of Congress, the U.S. DOT and the FAA that adding runway infrastructure at O'Hare is the only way to permanently solve the delay problem. As Administrator Blakely recently noted, "The long-term solution is more capacity at O'Hare—more pavement." The City wholeheartedly concurs and we further believe that Mayor Daley's O'Hare Modernization Program (OMP) is the permanent solution.

O'Hare's antiquated runway layout is the primary cause of delay. Although it is at the center of the national aviation system, O'Hare struggles with an old-fashioned, inefficient airfield design. And the costs are borne by the traveling public and the aviation industry alike. O'Hare's runway geometry, while modern in the propeller age, is out-of-date in the jet age. Modern runway design employs parallel approaches in instrument flight rule conditions. With parallel runways, O'Hare will be far more efficient and the entire national air transportation system will benefit.

Modernizing O'Hare's airfield will also add capacity to mitigate delay problems in the future. The OMP builds one new runway and relocates three existing runways at O'Hare. Once complete, O'Hare will have 6 east-west parallel runways and 2 crosswind runways. It will be phased in, with each step bringing demonstrable reductions to O'Hare congestion.

The implementation of the OMP is progressing. In June of this year, the FAA issued an analysis of future airport and metropolitan demand and capacity. The study concluded that the O'Hare Modernization Program would provide O'Hare and the Chicago region with enough capacity to meet FAA-projected demand well into the future. In July, the FAA informed the City that after careful review, it has determined the airspace to be safe and efficient, and therefore has no objection to the Modernization Program from an airspace utilization standpoint.

On August 26th the FAA released the results of simulations of O'Hare's airfield and airspace during 2007, 2009, 2013 and 2018, following more than a year of review by the FAA and its independent contractors. Their analysis showed that in 2018 (five years after the Modernization Program is complete) delays at O'Hare, currently averaging well over 20 minutes per flight, drop to around 6 minutes while the airport accommodates over 600 flights more a day.

Completion of the FAA's Environmental Impact Statement (EIS) and issuance of a Record of Decision (ROD) are the remaining critical steps before construction can begin. The FAA has indicated that September of 2005 is the anticipated date for a ROD. We are encouraged that the FAA has pledged to follow an "extremely aggressive" federal review schedule and will continue to work with them while they complete their regulatory process. To the extent that Congress can assist in ensuring that the timetable is met, we welcome your continued interest and support of the FAA's work. For our part, the City of Chicago stands ready to begin implementing this critical project as soon as approval is granted.

Failure to address delays in the long term, as well as the near term, is not an option. O'Hare currently produces 450,000 jobs and $38 billion in economic activity for the Chicago region and State of Illinois—it is the primary generator of jobs and economic development in the region. The artificial constraints currently in place have an adverse economic impact. United Airlines' announcement last week that it may be forced to lay off thousands of additional workers may not be unrelated to the first phase of voluntary flight reductions already in effect at O'Hare. Each and every flight has a positive impact on jobs and the local economy—from the passengers who shop in between connecting flights, to the ramp workers who move their luggage, and the gate attendants who help them board. Away from the airport, freight-forwarders lose business along with the convention and tourism industry, and so on as the ramifications ripple through the economy. And, of course, reduced flights mean reduced revenue at the airport, from landing fees to Passenger Facility Charges.

The impact of limiting flights at O'Hare goes far beyond the Chicago region. Small and medium-sized communities are often the first to lose service when markets are constrained. And approximately 58% of the passengers at O'Hare are connecting to other flights. Each delay represents a portion of the $380 million dollars lost each year due to delay. And while we may calculate the cost of meetings missed and business opportunities lost, there is no way to measure the impact of missing the wedding of a loved one or dinner with one's family.

In summary, the City of Chicago strongly believes that improving technology and adding infrastructure are preferable to relying solely on flight restrictions as an intermediate delay reduction solution. To implement these improvements, the City will seek support for the funding of these capacity enhancements. The City is pleased that the FAA allowed it to participate in the development of the recently implemented interim actions, and strongly believes that it must continue to work with the FAA to identify and develop

appropriate intermediate approaches. We are committed to devoting the necessary resources to this effort.

Finally, the O'Hare Modernization Program is the sustainable, long-term and critical action necessary to address the problem of delay. The FAA and the Department of Transportation should do everything possible to expedite the Environmental Impact Statement process and issue its Record of Decision. The continued success of the national aviation system is reliant on the O'Hare Modernization Program.

I hope that you will grant me a moment to acknowledge and express deep appreciation on behalf of Mayor Daley, myself and the entire City of Chicago for the role that our out-going Congressman Bill Lipinski has played during his 11 terms as a Member of Congress from Illinois' Third Congressional District. He has served the State of Illinois, his district, the City of Chicago and its airports in extraordinary fashion. He has secured millions of dollars in sound remediation grants for schools and homes. His ability to help fund the transit connection between Midway Airport and the Central Business District and the Midway Airport Terminal Development Program has brought Midway into the 21st Century and allowed it to thrive and grow.

Congressman Lipinski has also made important and lasting contributions to our nation, particularly through his attention to and deep knowledge of infrastructure issues. The Passenger Facility Charge legislation that he championed revolutionalized airport capital financing and provided a new mechanism to finance sorely needed projects to enhance the capacity of our national air transportation system. The Transportation Equity Act for the 21st Century and its successor legislation currently under consideration are keeping our nation strong and competitive. Congressman Lipinski's contributions during his long and distinguished tenure in the House of Representatives are too numerous to detail. Suffice to say that he is highly regarded, he will be truly missed, and we welcome him back home to full time residence in Illinois.

Members of Congress, I am truly grateful for this opportunity to report to you on the status of the efforts that are underway to improve our national aviation system by addressing the critical issue of delay at O'Hare International Airport in both the long and short term. I would be pleased answer any questions that you may have.